NASA Headquarters
Office of Space Science (OSS)

Office Work Instruction

Budget Formulation

Approved by: (Original signed by Christopher J. Scolese) Date: (12/18/2001)
Christopher J. Scolese
Deputy Associate Administrator for Space Science

Subject: Budget Formulation

DOCUMENT HISTORY LOG

STATUS (BASELINE/ REVISION/ CANCELED)	DOCUMENT REVISION	EFFECTIVE DATE	DESCRIPTION
Baseline		02/01/1999	• Initial "baseline" version of the OWI.
Revision	A	05/10/1999	• Incorporates modifications responsive to NCRs #279, #281, #293, #296, #302, #311, #312, #315, #316, #317, and #321 from the NASA HQ ISO-9001 Pre-Assessment audit.
Revision	B	11/16/1999	• Corrects titles of quality records in Section 5 and Section 6. • Clarifies electronic data "access control" methodology in Step #6.5 of Section 6. • Clarifies "approval" methodology in Step #6.9 of Section 6. • Corrects functional title of "Owner" in table of quality records in Section 7. • Incorporates recent terminology and format standardization.
Revision	C	12/18/2001	• Incorporates impact of OSS reorganization (effective 07/01/2001). • Incorporates url's for referenced documents into Section 4. • Clarifies specific functional roles of Action Officers in Section 5 and Section 6. • Revises "footer" to indicate both "internal" and "external" web sites for NASA HQ ISO 9001 Documentation Master List.

Subject: Budget Formulation

1. PURPOSE

The purpose of this Office Work Instruction (OWI) is to define the process for formulating the Office of Space Science (OSS) budget.

2. SCOPE AND APPLICABILITY

2.1 The three major phases to the budget process are: (a) formulation (also known as development); (b) justification (also known as advocacy); and (c) execution (also known as implementation). One of the most important characteristics of the budget process is that at any given time, some aspect of all three phases of the budget process is occurring. In a given year, OSS formulates the budget for the fiscal year that is two years away, justifies the budget for the upcoming year, and executes the budget for the current year.

2.2 The budget-formulation process is often equated with the development of the Program Operating Plan (POP). The objective of the POP is to establish the budget requirements for the budget year (current year plus two) and the four subsequent years. Although the main result of this process is a Program Financial Plan (PFP), project content and schedules as well as the funding plans are often adjusted to enable the total OSS program to stay within its budget envelope.

2.3 The scope of this OWI is confined to the description of the following three significant stages: (a) preparation of POP guidelines; (b) assessment of NASA Center submittals; and (c) development of the integrated OSS budget recommendation.

3. DEFINITIONS

3.1 AA. Associate Administrator for Space Science.

3.2 Code B. NASA Headquarters Office of the Chief Financial Officer (CFO).

3.3 Code SE. OSS Solar System Exploration Division.

3.4 Code SM. OSS Mars Exploration Program Office.

3.5 Code SP. OSS Resources Management Division.

3. DEFINITIONS *(concluded)*

3.6 Code SS. OSS Sun-Earth Connection Division.

3.7 Code SZ. OSS Astronomy and Physics Division.

3.8 EDP. OSS Executive Director for Programs.

3.9 EDS. OSS Executive Director for Science.

3.10 OSS. NASA Headquarters Office of Space Science.

3.11 POP. Program Operating Plan (i.e., the NASA budget plan).

3.12 SSE. NASA Space Science Enterprise.

3.13 TD. OSS Technology Director.

4. REFERENCES

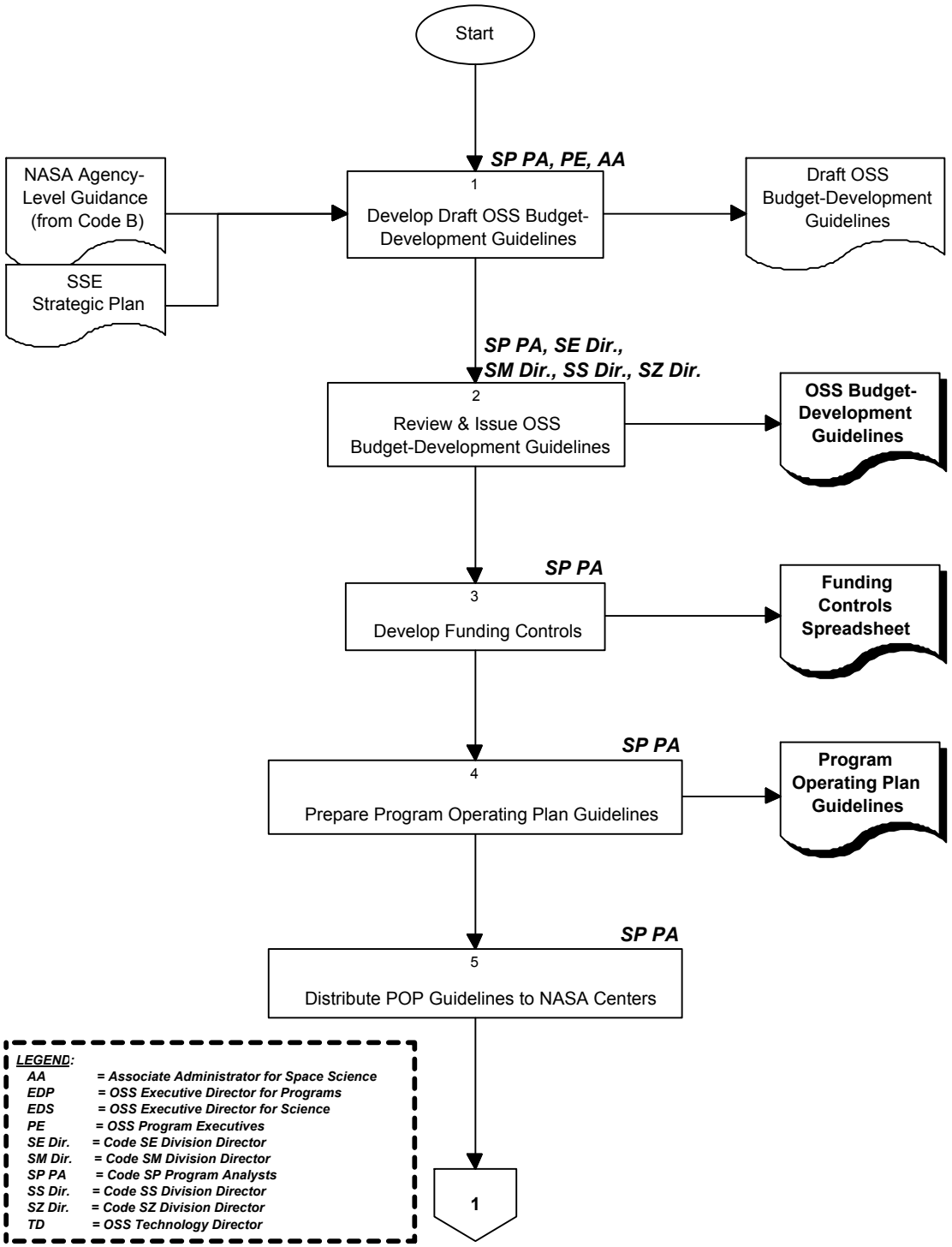
4.1	HCP1400-1	Document and Data Control *[http://www.hq.nasa.gov/hqiso9000/library/iso9000_detail_HCP1400-1.html]*
4.2	NP-2000-08-258-HQ	Space Science Enterprise Strategic Plan *[http://spacescience.nasa.gov/admin/pubs/strategy/2000/index.html]*
4.3	NPG 1441.1	NASA Records Retention Schedules (NRRS) *[http://nodis3.gsfc.nasa.gov/library/lib_docs.cfm?range=1___]*
4.4		NASA Budget Administration Manual

Subject: Budget Formulation

5. FLOWCHART

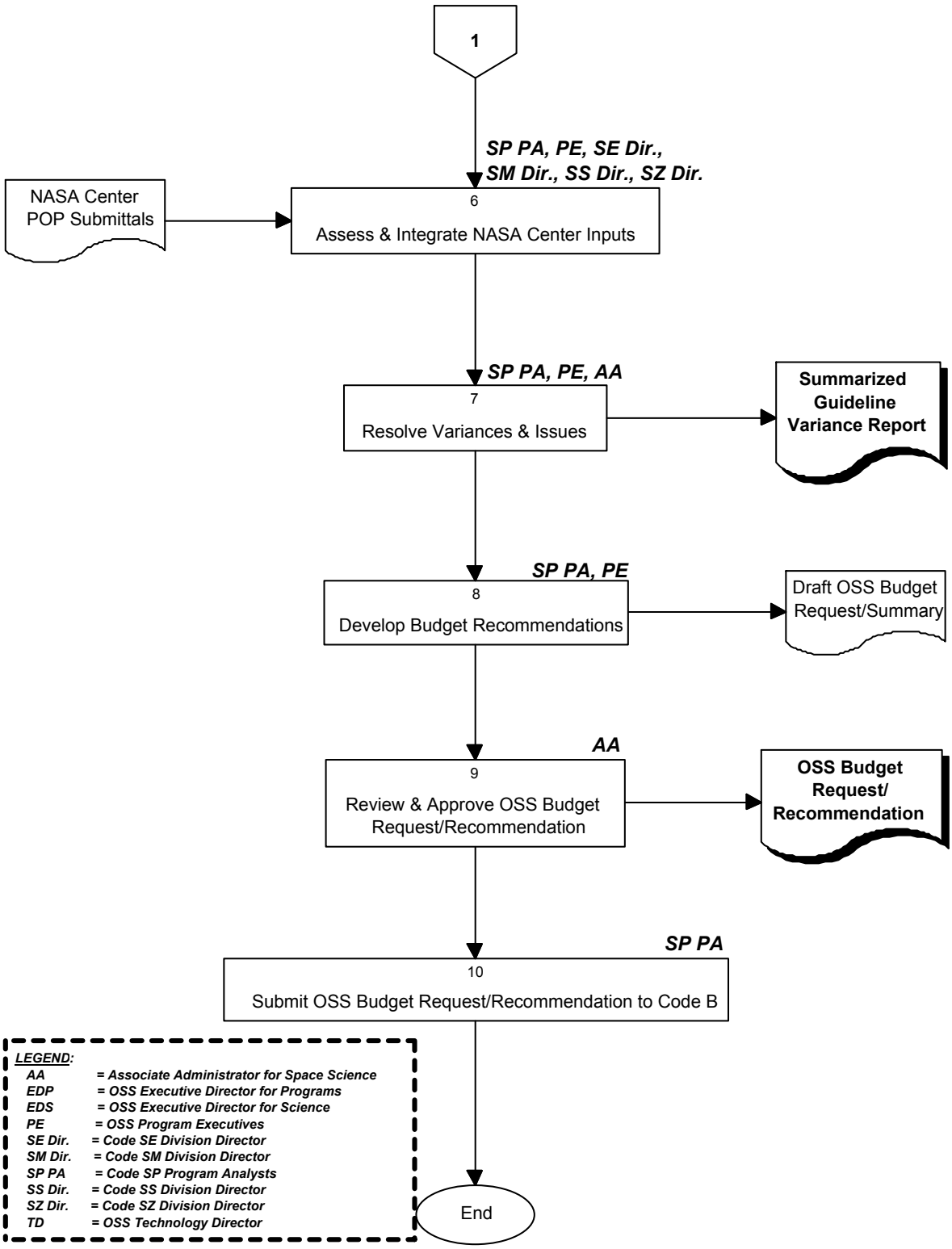
[NOTE #1: Process steps are numbered in accordance with their corresponding step numbers in Section 6.]

[NOTE #2: "Quality records" are identified via bold-text titles and shadowing of the border of their symbols.]



Subject: Budget Formulation

5. FLOWCHART *(concluded)*



Subject: Budget Formulation

6. PROCEDURE

STEP #	ACTION OFFICERS	DESCRIPTION
1	Code SP Program Analysts OSS Program Executives AA	In accordance with NASA agency-level guidance from Code B and the SSE Strategic Plan, Code SP Program Analysts prepare draft OSS budget-development guidelines, with inputs from OSS Program Executives. The Associate Administrator for Space Science defines the overall program priorities and budget strategy for the upcoming process. Code SP Program Analysts prepare numeric and narrative guidance consistent with this direction.
2	Code SP Program Analysts Code SE Director Code SM Director Code SS Director Code SZ Director	Code SP Program Analysts coordinate the draft OSS budget-development guidelines with the Directors of Codes SE, SM, SS, and SZ. Code SP Program Analysts then send the finalized OSS budget-development guidelines to the cognizant NASA Centers.
3	Code SP Program Analysts	Code SP Program Analysts develop funding controls consistent in total with the most-recently-submitted President's budget. There is often some redistribution among projects to accommodate the latest approved requirements or to reflect changes in program priorities. These funding controls are broken out in a spreadsheet by NASA Center and, within each Center, by project.
4	Code SP Program Analysts	Code SP Program Analysts prepare the Program Operating Plan (POP) guidelines that establish the funding envelope for the OSS program in its entirety, as well as for individual projects. In addition, the POP guidelines provide data requirements and formats, a budget-preparation schedule, and specific direction to projects regarding assumptions, option analysis, and unique data requests.

Subject: Budget Formulation

6. PROCEDURE *(continued)*

STEP #	ACTION OFFICERS	DESCRIPTION
5	Code SP Program Analysts	Code SP Program Analysts distribute the POP guidelines electronically to cognizant NASA Centers. Access to these electronic data is controlled in accordance with Paragraph 2.7 of HCP1400-1 and Code B requirements.
6	Code SP Program Analysts OSS Program Executives Code SE Director Code SM Director Code SS Director Code SZ Director	The assessment of NASA Center POP submittals is conducted as a joint activity among Code SP Program Analysts, OSS Program Executives, and the Directors of Codes SE, SM, SS, and SZ. Code SP Program Analysts integrate the NASA Center POP inputs to develop program and budget recommendations to the Associate Administrator for Space Science. This activity ensures that the NASA Center inputs provide all the required data in the appropriate formats.
7	Code SP Program Analysts OSS Program Executives AA	Code SP Program Analysts and OSS Program Executives use data from the NASA Center submittals and from POP reviews to identify and resolve issues. Issues may include variances in the budget relative to guidelines, milestone changes, technical problems, contract or subcontract growth, or reserve levels. These issues form a basis for further investigation and analysis, and Code SP Program Analysts may present selected issues to the Associate Administrator for Space Science for direction as to the range of options that should be pursued. Code SP Program Analysts document the results of this activity in a Summarized Guideline Variance Report.

Subject: Budget Formulation

6. PROCEDURE *(concluded)*

STEP #	ACTION OFFICERS	DESCRIPTION
8	Code SP Program Analysts OSS Program Executives	Code SP Program Analysts work with OSS Program Executives to develop budget recommendations on a project-by-project basis. Following the presentation of the separate budget recommendations from Codes SE, SM, SS, and SZ to the Associate Administrator for Space Science, Code SP Program Analysts consolidate these recommendations and provide the Associate Administrator for Space Science with a total draft OSS budget request/summary.
9	AA	The Associate Administrator for Space Science reviews the final options, considers the overall budget situation, and makes final decisions to balance the total program to the guideline level. Approval of the OSS Budget Request/Recommendation is indicated via signature of the Associate Administrator for Space Science on an attached letter.
10	Code SP Program Analyst	Code SP Program Analysts submit the OSS Budget Request/Recommendation to the NASA Headquarters Office of the Chief Financial Officer (Code B). The submittal consists of a letter from the Associate Administrator for Space Science that summarizes the Space Science Enterprise's budget priorities and issues, a Program Financial Plan, and supporting documentation as required by Code B. The supporting documentation usually consists of budget traces that display changes from the previous year's baseline to the current recommendation, content charts that show a lower level of budget detail than is contained in the Program Financial Plan, and several formats that are required for NASA's reports to the federal Office of Management and Budget (OMB).

Subject: Budget Formulation

7. QUALITY RECORDS

RECORD IDENTIFICATION	OWNER	LOCATION	MEDIA: ELECTRONIC OR HARDCOPY	NPG 1441.1 SCHEDULE NUMBER AND ITEM NUMBER	RETENTION/ DISPOSITION
OSS Budget-Development Guidelines	Code SP Program Analysts	Code SP Division files	Hardcopy	Schedule 7, Item 21F	Destroy 1 year after the close of the fiscal year covered by the budget.
Funding Controls Spreadsheet	Code SP Program Analysts	Code SP Division files	Hardcopy	Schedule 7, Item 21D1	Destroy 2 years after the close of the fiscal year.
Program Operating Plan Guidelines	Code SP Program Analysts	Code SP Division files	Hardcopy	Schedule 7, Item 22	Destroy when 5 years old.
Summarized Guideline Variance Report	Code SP Program Analysts	Code SP Division files	Hardcopy	Schedule 7, Item 21D1	Destroy 2 years after the close of the fiscal year.
OSS Budget Request/ Recommendation	Code SP Program Analysts	Code SP Division files	Hardcopy	Schedule 7, Item 21F	Destroy 1 year after the close of the fiscal year covered by the budget.

[NOTE #1: These "quality records" are identified in Section 5 ("Flowchart") of this OWI via bold-text titles and shadowing of the border of their symbols.]

[NOTE #2: In accordance with NPG 1441.1 NASA Records Retention Schedules, "… installations' office of primary responsibility will maintain one official record copy …; reference copies may be maintained for related work". Therefore, the "Retention" and "Disposition" aspects of quality records apply only to the one official record copy of each quality record.]